

NERT / NDEP / EPA BI-WEEKLY PROGRESS REPORTING

December 21, 2016
(877) 848-7030; Passcode 5921807

| CRITICAL PATH ITEMS | | |
|--|--|--|
| NERT | NDEP (BiSC and BWPC) | AECOM |
| <ol style="list-style-type: none"> 1. Submittal of 60% weir design package to US BOR. 2. Submittal of weir dewatering treatment NPDES application. | <ol style="list-style-type: none"> 1. US BOR access required by TBD. 2. Site NPDES permit is out for 30-day public comment period (Nov 25-Dec 26). NDEP to address final NERT comments and issue permit the last week of December; expecting permit to become effective January 1, 2017. | <ol style="list-style-type: none"> 3. Project schedule to be updated based upon newly established iterative SF-299 application process. |

| GWETS STATUS | | |
|--|---|--|
| GW-11 | FBR | LIFT STATIONS / WELL FIELDS |
| <ul style="list-style-type: none"> • Online (EQ) • Volume 42.55 MG; W/W + ~0.67 MG | <ul style="list-style-type: none"> • Condition normal. | <ul style="list-style-type: none"> • LS1 (SWF) down for IX installation; Other LSs Condition normal. • Preparation to implement LS#2 Corrective Action Plan. |

| NERT REMEDIAL INVESTIGATION STATUS | | | |
|--|--|---|------------------------------|
| TASK * | CURRENT STATUS | UP-NEXT | SCHEDULE |
| Community Involvement | Revision of CIP for Phase 3 in progress. | Submittal of CIP to NDEP; Preparation and transmittal of mailing and scheduling of meeting. | Wk 8/12 40% |
| RI Phase 2 Access Agreements | Identification of access requirements in progress. | Communication with the various entities. | Ongoing |
| Soils / Groundwater Investigation | Phase 2 RI mobilization in progress. | Phase 2 RI field investigation implementation. | Wk 3/46 2% |
| Soils Investigation (Unit 4/5) | 68 borings have been completed; Final borings to be completed this week. | Completion of 2 nd Mobilization; Receipt of analytical and preparation of reporting. | Wk 25/35 ¹ 78% |
| Treatability Study : Flushing | Preparation of Treatability study results report in progress. | Report submittal in January. | Wk 27/24 90% |
| GW Modeling – Phase 5 | Phase 5 model submitted on 11/16 and under NDEP review. | Review of NDEP comments on Phase 5 model (when received); Scheduling of roundtable meeting w/ Stakeholders. | TBD |
| Source ID : Chloroform | On hold - awaiting data from unit building and RI Phase 2 investigations. | - | - |
| Operations Area Baseline HRA | COPC/EU Report submitted to NDEP 8/28; NDEP Draft comments under Trust review. Met with NDEP on 12/19 to discuss comments and agree on path forward. | Review Broadbent meeting summary; Revise COPC/EU Report in accordance with comments. | TBD |
| RI Work Plan Amend. : SWF GWB Treatability Study | All access matters resolved; Preparing for mobilization and finalizing revised project scheduling. | Field work to begin mid-January. | TBD |
| RI Work Plan Amend. : IWF In-Situ Treatability Study (Cr) | Well installation complete; Baseline sampling being scheduled. | Conduct baseline sampling; Begin injections. | Wk 9/55 15% |

¹ Project schedule through submittal of the 2nd Mobilization Sampling Tech Memo.

* **BOLD** items indicate change in task status

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| | CURRENT STATUS | UP-NEXT | SCHEDULE |
| <u>RI Work Plan Amend. : Soil Flushing Pilot (CRB)</u> | Submittal in 2017. | - | TBD |
| <u>RI Work Plan Amend. : TDS Impacts in UMCf</u> | Preparation of work plan in progress. | Submittal of work plan. | Wk 35/38 68% |
| <u>RI Work Plan Amend. : TDS Impacts on Remediation and GWETS</u> | Preparation of work plan in progress. | Schedule January meeting w/ NDEP to discuss project work plan prior to submittal. | Wk 20/12 90% |
| <u>Eastside (Common Area) Investigation Work Plan</u> | Incorporation of BRC data into database and work plan preparation. | NERT to meet w/ NDEP/EPA to discuss RAOs prior to WP submittal. | Wk 7/16 15% |

| TASK * | NDEP DOWNGRADIENT INVESTIGATION STATUS | | |
|--|---|--|------------------|
| | CURRENT STATUS | UP-NEXT | SCHEDULE |
| AECOM TASK 130 General WP Documents | All documentation for the initial phase of the investigation have been finalized | Submittal of Work Plan for the next data collection effort (see Task 170). HASP and QAPP updates as needed. | 4Q16 |
| <u>AECOM TASK 131 EA for LVW/BOR Area</u> | AECOM to submit SF-299s for invasive work based on exact locations of proposed borings and wells. | Submittal of SF-299 for 4 confirmatory borings for geophysics pilot study by 12/30. | Wk 21/105 25% |
| <u>AECOM TASK 151 SW Investigation Plan</u> | Issued final Draft SWIP on 12/6 to Stakeholders; comments due on 12/20. . | Finalize work plan by 12/27 based on Stakeholder comments. | Wk 20/48 30% |
| <u>AECOM TASK 160 Geophysical Pilot Test Plan</u> | Non-invasive field work complete. Data review underway. | Submit SF-299 for 4 confirmatory borings for geophysics pilot study by 12/30. | Wk 50/72 40% |
| <u>AECOM TASK 170 GW Investigation</u> | Final Draft Transducer installation plan submitted to Stakeholders on 12/14. | Submittal of Final Transducer installation plan by 12/27 addressing Stakeholder comments. Submittal of Preliminary Draft Phase 1 Work Plan on 12/30. | Wk 12/67 5% |

| TASK * | GWETS / COP PROJECTS | | |
|--------------------------------------|---|---|------------------------------|
| | CURRENT STATUS | UP-NEXT | SCHEDULE |
| ETI Work Authorizations / Amendments | <u>In Negotiation</u> <ul style="list-style-type: none"> Secondary containment upgrades IWF data capture updates IWF VFD upgrades GW sampling amendments AP-5 Treatment amendment | - | ONGOING |
| <u>AP-5 Solids Removal</u> | Removal of abandoned infrastructure 90% complete; 40+ unanticipated items discovered to date. Double walled containment piping installed; Slurring and transfer of material underway. ~600K gallons of slurry pumped (~30%). | Completion of mixing/transfer of AP-5 material and removal of abandoned infrastructure. | Wk 50/52 ² 70% |
| GWETS/NET | NERT continuing negotiations with UPRR; Finalization of web site in progress. | Rollout of GWETS/NET during December COP meeting. | December 2016 |

² Possible project schedule delay due double walled pipe.

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| GWETS / COP PROJECTS | | | |
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| TASK * | CURRENT STATUS | UP-NEXT | SCHEDULE |
| Pipeline Flow Evaluation | NDEP approval on project received 8/18; Finalization of project budget and schedule in progress. | Tech Memo to be submitted upon completion of initial effort will include a budget for various infrastructure improvements. | TBD |
| Pipeline Easements | Title search complete. Approx. 75% of pipeline appears to have significant easement issues. | NERT to determine strategy and budget for continuation of the project. | 70% |
| Water Management Plan | NERT determining multi-year strategy for GW-11 replacement, AP-5 treatment and continued implementation of the COP. | NERT to present strategy to NDEP/EPA. | January |
| <u>IX Installation</u> | ETI has commenced implementation. Controls, electrical and piping work ongoing. IX delivered and resin loading in-progress. | System installation. NOTE – Discharge of treated GW in excess of 1.45 MGD (30 day AVG) requires issuance of revised NPDES permit. | Wk 20/21 80% |
| <u>AP Area Soil Flushing Treatability Study</u> | Project implementation in-progress. In excess of 1700 lbs. of CIO4 removed from environment. | Completion of flushing plots. <i>Overall project progress to be reported during COP meetings.</i> | Wk 9/54 |
| Minor Source Air Permit Renewal | Submittal of package to Clark County DAQ 9/21; Awaiting comment and/or approval. Submitted RTC on 11/16. | - | - |

| OTHER ENVIRONMENTAL PROJECTS | | | |
|--|---|--|--------------------------|
| TASK * | CURRENT STATUS | UP-NEXT | SCHEDULE |
| Perchlorate Migration to TIMET | EE/CA path to resume. | Finalization of project scope, schedule and budget. | TBD |
| Stormwater Conveyance Modification / East-side Grading | All on-site effort is complete. Project documentation and TIMET report preparation in progress. | Submittal of documentation to TIMET. | Wk 52/36 90% |
| NERT HASP | Finalization of HASP in progress. | - | Wk 48/31 99% |
| <u>Parcels Risk Assessment</u> | NDEP consultants reviewing Parcel H rad data. Met with NDEP on 12/19 to discuss Draft Soil gas HRA comments and agree upon path forward; Response to NDEP 7/25 letter re: Parcel H/2006 Upgradient Investigation DVSR submitted on 11/23. | Revision of Soil Gas HRA based on receipt of Final Comments and agreements in 12/19 meeting. Revisions to Soil HRA following receipt of input from NDEP on Parcel H rad data and Parcel H DVSR letter. | Dep. on NDEP data review |
| Parcel C Soil removal | Completed evaluation of analytical results to define extent of contamination. Coordination of access routes with Tronox in progress. | Soil removal anticipated in January 2017. | Wk 18/30 25% |
| SMP, Revision 3 | SMP revisions underway; NERT HASP, Site-wide Dust Control Plan, and Hazardous Waste Management Plan, are being incorporated into the SMP. | Submittal of SMP, Revision 3 (RLSO) in December 2016. | Wk 11/12 80% |

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| NDEP ORDER : SNWA WEIRS GROUNDWATER TREATMENT | | | |
|---|--|--|----------|
| TASK * | CURRENT STATUS | UP-NEXT | SCHEDULE |
| EE/CA | No public comment received. Trust provided NDEP draft Action Memorandum. | NDEP to provide comment on draft Action Memorandum. | Ongoing |
| Land Access : BOR | Streamlined 7-2540 form submitted to NDEP which was forwarded to BOR. | TBD; In dialogue with BOR re: streamlined application approval. | ASAP |
| Land Access : CC | NERT met w/ Clark County on 12/13 and has assembled a permitting strategy. | NERT to prepare and submit the following packages: <ul style="list-style-type: none"> • Sunrise Mountain Pump Station Design • Historical Lateral Pump Station Design • Pipeline Design | ASAP |
| Treatment System Design | System design ongoing. | Submittal of 60% design package to BOR. | ASAP |
| Treatment System Procurement | Long-lead equipment ordering in-progress. | NERT to submit monthly progress reporting beginning in January. | Ongoing |

| TRUST ADMINISTRATION | | | |
|---|--|---|----------|
| TASK * | CURRENT STATUS | UP-NEXT | SCHEDULE |
| Budget Status | Verbal approval received - awaiting formal approval on amendment 2016-02. | Submittal of 2017 budget. | Ongoing |
| Stakeholder Relations | Preparing minutes for distribution; Awaiting feedback from Stakeholders. | Technical meeting in early 2017. Next quarterly call: TBD | Ongoing |
| Tronox LTCA Projects | 14 active projects; 2 projects approval pending. | Invoice 105 to be submitted. | Ongoing |
| BWC / BEC Negotiations | Completed <ul style="list-style-type: none"> • SLMW perpetual access agreement • Seep Bio TS access agreement • Weir (2-year) access agreement | To Be Discussed <ul style="list-style-type: none"> • LS#2 easement amendment • RI Phase 2 access agreement • Corrective easements for pipelines | Ongoing |
| Tronox SLMW Delivery Infrastructure and Charges | Tronox 15 business day review period complete for meter installation project; NERT determining costs for "upper loop" repair. Two meters installed. | NERT to install three meters and engage Tronox re: "upper loop" repairs. | Ongoing |
| Chlorine Line | Ongoing negotiation with all parties. | NERT to discuss with NDEP when appropriate. | Ongoing |
| BMI Complex Sanitary | NDEP awaiting status report from BMI. | | Ongoing |
| 4 th Street Paving | NERT performed minor repairs; awaiting additional information from BMI. | | Ongoing |
| Sale of Parcel E (+ Western Slice) | Henderson GW, LLC will be seeking an easement instead of a purchase. | NERT to negotiate easement terms and present to NDEP. | Ongoing |
| Perchlorate Reimbursement | Preparation of 2015 claim in progress. | | Ongoing |

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| AIG Claims | Jan-Apr 2016 submitted 9/12. May – June 2016 submitted 12/5. | | Ongoing |
| Tronox Escrow | NERT to resolve when appropriate. | | TBD |
| Financial Reporting | November report distributed; Awaiting data to prepare December report. | Distribution of December report. | Ongoing |
| Tronox Lease Matters (Confidential) | Next steps to be outlined in 2017 budget submittal. | | |

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